

1 MR. RILEY: Your Honor, I have an objection, which
2 I'm prepared to withdraw as to relevance. I -- the day -- I
3 wonder if Mr. Goldstein meant July of '93.

4 MR. GOLDSTEIN: I did because of -- what I'm trying
5 to do, very simply, is lead up to the stipulation to see if we
6 can agree to the stipulation.

7 MR. RILEY: Oh, oh, oh. Okay.

8 JUDGE STEINBERG: So the objection's withdrawn?

9 MR. RILEY: Yeah.

10 WITNESS: I'm sorry. Could you repeat the question?

11 BY MR. GOLDSTEIN:

12 Q Between September of 1991 or thereabouts when you
13 decided on the format for your station and July of 1993 when
14 your counsel proposed a stipulation, did you work for or have
15 any role in any facility that broadcast in other than a
16 religious format?

17 A No.

18 Q Could you please turn your attention to Mass Media
19 Bureau Exhibit No. 9, page 2, the indented paragraph and read
20 that to yourself?

21 A I'm sorry. Which page?

22 Q Page 2.

23 A The stipulation on page 2?

24 Q Yes. If you'd just -- and what I'd like you to do
25 as you read it is basically verify the accuracy of the

1 representations made therein.

2 JUDGE STEINBERG: Well, if there's anything there
3 that's not accurate --

4 WITNESS: Okay. This is correct.

5 MR. GOLDSTEIN: Okay. Your Honor, based upon Mr.
6 Bott's testimony, the Bureau would be willing to stipulate as
7 to the -- enter into the stipulation which was proposed on
8 page 2 of Mass Media Bureau Exhibit No. 2 and I believe you
9 reserved ruling.

10 JUDGE STEINBERG: I did.

11 MR. GOLDSTEIN: So --

12 JUDGE STEINBERG: So you want to withdraw the rest
13 of it?

14 MR. GOLDSTEIN: I would certainly be willing to,
15 yes.

16 JUDGE STEINBERG: Okay. So let's -- page 1 we'll
17 consider withdrawn?

18 MR. GOLDSTEIN: Correct. And pages 3 through --

19 JUDGE STEINBERG: Page 2 beginning a listing of
20 documents provided, the rest of that page is withdrawn?

21 MR. GOLDSTEIN: Yes. Through the, through the end
22 of the --

23 JUDGE STEINBERG: Through the end of the document.
24 Okay. So all we have now is the, is the -- all that's left is
25 the stipulation and that -- I'll ask Mr. Riley if he's still

1 willing to enter into this.

2 MR. RILEY: Absolutely, Your Honor.

3 JUDGE STEINBERG: Okay. Well, you can withdraw your
4 willingness to enter into it, you know.

5 MR. RILEY: I, I was willing to earlier in the day.
6 I just think I had -- Mr. Bott has not testified contrary to
7 what's in the stipulation. In fact I think most of it's now
8 in the record.

9 JUDGE STEINBERG: Okay. So Exhibit -- Bureau
10 Exhibit No. 9 as has just been reformed is received.

11 (Whereupon, the document referred to
12 as Mass Media Bureau Exhibit No. 9
13 was received into evidence.)

14 BY MR. GOLDSTEIN:

15 Q In light of the fact that all of your experience had
16 -- prior to 1987 had been in broadcasting -- excuse me, in
17 religious broadcasting and what gives -- and in light of the
18 fact that all your experience to date is in religious
19 broadcasting, what gives you the confidence that you could
20 develop a station with another format?

21 A Because, sir, well my experience with religious
22 formats has been religious. It has also been involved in
23 commercial broadcasting. And my knowledge of the trade, my
24 knowledge of the industry, my associations, I believe I could
25 do about any format I so chose, given the right set of

1 | circumstances.

2 | Q And that was -- would that be true as of December of
3 | 1987?

4 | A Yes.

5 | JUDGE STEINBERG: What are the right set of
6 | circumstances?

7 | WITNESS: Well, in deciding a format for a
8 | particular market you would need to look at the number of
9 | stations that were there, what formats they had, what the
10 | general economy was, and how that format was going to fund
11 | itself, whether through the sale of advertising or through the
12 | sale of blocks of time as an ethnic station might, for
13 | instance.

14 | JUDGE STEINBERG: Now is that the universe of
15 | circumstances?

16 | WITNESS: I'm sure it's not exhaustive.

17 | JUDGE STEINBERG: Okay. If you think of more you
18 | tell us. It seems to me a lot of it is, is economic. Is, is
19 | it fair to say that the, that the largest consideration is
20 | economic?

21 | WITNESS: Well, I would say that the economic
22 | consideration would be foundational, that the station if it
23 | can't be profitable, if it can't pay its way, it's not going
24 | to stay in existence beyond that. You would certainly want to
25 | look at what the needs were in the community and what the

1 community service attributes and so forth.

2 BY MR. GOLDSTEIN:

3 Q Did you have contacts beyond a religious, religious
4 broadcasting field in 1987?

5 A Yes.

6 Q Where were those contacts?

7 A Well, I was involved in the Advertising Club of
8 Kansas, the Kansas City Radio Broadcasters Association,
9 involved in the NAB, attended NAB Conventions and --

10 Q As of December of '87?

11 A Actually, let me withdraw that about the NAB
12 Convention. I think the first NAB Convention I attended was
13 in '89. That was the radio convention in New Orleans. While
14 there I did have a chance to walk the convention hall and
15 acquaint myself more, more thoroughly with some of the new
16 satellite formats that were coming out. But to answer your
17 question, yes I have knowledge and --

18 Q As of '87?

19 A Yeah. And in '87 too. I was a part of the
20 commercial broadcasting industry. The stations that I was
21 responsible for had a religious format, but we did business in
22 the community as one of the, as one of the commercial
23 broadcasters.

24 Q Did you belong to any national associations at that
25 time, other than religious broadcasters?

1 A I belonged to NAB, National Association --

2 Q In 1987?

3 A I believe we did and the -- what's -- the RAB.
4 We've been involved in that.

5 Q What's the RAB?

6 A The Radio Advertising Bureau. We're in, in
7 commercial broadcasting. Those stations happen to have a
8 religious format.

9 MR. GOLDSTEIN: I have no further questions, Your
10 Honor.

11 JUDGE STEINBERG: Okay. I have lots of questions.
12 Let's take a break and please be back at 1:45.

13 (Whereupon, off the record at 12:35 p.m. to
14 reconvene later the same day.)

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A F T E R N O O N S E S S I O N

(1:45 p.m.)

RE-EXAMINATION

BY JUDGE STEINBERG:

Q Okay. We're, we're back on the record. Let me get some personal data into the record. What's your date of birth?

A 11/4/55.

Q And you were single at the time of the December '87 hearing?

A Yes, sir.

Q And you're still single?

A Yes, sir.

Q Was that a continuous singleness?

A Yes, sir. I've never been married.

Q Okay. And why don't you just outline for us in, in -- at the time of the December '87 hearing you lived in Kansas City, Missouri?

A Yes, sir.

Q And then -- why don't you outline for us -- and, and now you live in what? Overland Park, Kansas?

A Yes, sir.

Q And why don't you outline for us your residences between those two periods and if you could state if you changed residences, why you changed?

A From the time prior to 1985 when I made application

1 for the Blackfoot CP until this past summer, I lived in an
2 apartment at the address of 8603 Buckingham Lane, Kansas City,
3 Missouri. This past summer I moved to a suburb of Kansas
4 City, which is Overland Park and I bought a townhouse and
5 that's where I live now.

6 Q And when you lived -- at your previous address you
7 rented?

8 A Yes, sir.

9 Q That was pretty simple. Your father now is about 61
10 or 62?

11 A He just turned 60.

12 Q Just turned 60. Okay. And how old is your mother?
13 I'm glad she's not here because she'd object.

14 A She's a year or two younger so she's 58 I think.

15 Q Okay. Did -- to you knowledge, did -- do either of
16 them have, have any -- have either of them expressed to you an
17 intention to retire from what they do every day?

18 A No.

19 Q So as far as you know that -- well, let's leave it
20 at that. Let -- put in front of you, please, Bott No. 3.
21 Just skim over pages 14, 15, and 16. I'm sure you have --
22 over the last day or so you've become intimately familiar with
23 this document again.

24 A Yes, sir.

25 Q Why don't -- let me tell you what I'm going to do.

1 I'm going to take you to various portions of it and, and I
2 just want you to become familiar with it. If, when I ask you
3 the questions you need to refer back to it --

4 A Yes, sir.

5 Q -- feel free to do so or if you don't want to answer
6 until you've looked at it, well, that's your prerogative.
7 Okay. On the first page you say you, you selected Blackfoot,
8 Idaho, after studying the market. What type of study did you
9 do? This is in July '85. I filed an application. Then you
10 said you selected Blackfoot. It's the first paragraph and
11 last sentence.

12 A Well, sir, my study was first of all limited to
13 those stations that were available on the universal window.

14 Q Right.

15 A There was a list that came out of stations. I
16 looked over those. I selected Blackfoot because it was a
17 Class C facility, which I felt would offer significant
18 opportunity. It was in an area of the country that I found
19 intriguing and that I would enjoy living or working or, or
20 what have you. And I looked at the number of stations that,
21 that served the area and it appeared to be an under-radioed
22 market and that would be a good business venture for me at the
23 time.

24 Q Was -- how formal was your study?

25 A I guess it was not real formal. It was, it was -- I

1 | looked at it as a business opportunity to establish a Class C
2 | FM radio station in a market that I believed would support it.

3 | Q When you say in a market that you believed would
4 | support it, did you have any economic data in front of you
5 | when you, when you did this study?

6 | A No, sir. At the -- other than just general economic
7 | data --

8 | Q General. When you say general, U.S.-wide?

9 | A Yeah. I mean, we were in a time in our, in our
10 | history where the economy was booming and particularly in the
11 | broadcast industry there was a lot of excitement for these new
12 | FM facilities that were coming available to file on and I
13 | thought at the time that this was an opportunity, and I still
14 | think it's, it's a good opportunity for someone to get started
15 | in their own broadcasting business.

16 | Q Did your study of the market include the study of
17 | the formats -- of form-- various formats you could use?

18 | A I'm sure, because I looked at broadcasting yearbook,
19 | for instance, to get an idea of what stations were there and
20 | in there it, it includes what formats were in existence, but
21 | that wasn't an overriding concern for me because I knew that
22 | formats come and go. They change and whatever is today is not
23 | going to be sometime down the road, whenever this would come
24 | to fruition.

25 | Q When you studied the market before you applied, did

1 you have a broad, general idea as to how, as to how you were
2 going to format the station?

3 A No, sir.

4 Q None whatsoever?

5 A No broad, general idea. I, I knew at the time --

6 Q How about, how about a narrow, specific idea?

7 A No, no. I did not have a -- an idea. I knew that
8 there were many new formats coming available, whether on CD or
9 -- I don't know if they had CD back then -- but whether on
10 tape, I think some of them were coming on big reel-to-reel
11 tapes, or --

12 Q You just -- you put a -- put on a tape in the
13 morning, push the button, and then come back at night to shut
14 off the lights?

15 A Well, sir, there are, there are services that will,
16 that will provide a total format. That would involve reel-to-
17 reel music, together with prepackaged liners and IDs and
18 positioning statements, whether it's the music of your life
19 format is one that I was familiar with in Kansas City or, or
20 other formats. I just knew that there were a variety of
21 formats and that there were many more coming out.

22 Q Okay. So basic --

23 A I hadn't --

24 Q Oh, I'm -- I cut you off. I'm sorry.

25 A I'm sorry. I hadn't decided on a format and I did

1 not even have a broad format in mind.

2 Q Okay. So basically when you decided to apply for
3 this station and Blackfoot, Idaho, you really didn't know what
4 you were going to do with it if you got it?

5 A Well, sir, I knew I would operate it as a radio
6 station and --

7 Q Right. You weren't going to use it as a
8 paperweight?

9 A I was trying -- I'm sorry. I'm not trying to be
10 flippant, but I was hoping to, to make it a profitable
11 business enterprise for me.

12 Q But you didn't know how you were going to do that?

13 A Well, through the sale of radio time.

14 Q And how do you sell radio time?

15 A You approach-- well, first of all, you put the radio
16 station on the air. You pick a market and --

17 Q You, you picked the market -- you picked Blackfoot.

18 A Well, sir, what I mean -- I mean within, within the
19 Snake River Valley -- what I meant is you pick a market niche
20 within that area. That is, is relatively unserved and then
21 you, you, you try to care for that audience and, and develop a
22 loyal audience and then you market that audience to
23 advertisers and other people that are interested in reaching
24 that audience.

25 Q But you didn't, at that point in time when you

1 | picked Blackfoot, you didn't have any idea as to how you were
2 | going to do that? What niche you were going to pick?

3 | A I, I did not have a particular format in mind. I
4 | knew that there were -- in that market I figured there were
5 | probably several format openings. I didn't have a particular
6 | ID in mind which I would do or what the openings would be a
7 | year or two down the road, whenever the thing would be
8 | granted, and I had, I had not given that a great deal of
9 | thought.

10 | Q Okay. You went through, you went through the, the
11 | -- what was the book you called?

12 | A The universal window?

13 | Q No.

14 | A Broadcasting Yearbook?

15 | Q Yeah. Broadcasting Yearbook and you looked at the
16 | what? The Pocatello stations, Idaho Falls stations, who else
17 | is over there? My geography is lousy and I usually rely on
18 | Dennis Kelly for geography, because he knows how to drive from
19 | any place in the U.S. to any other place in the U.S. And if
20 | you ask him, he'll tell you. Okay. So you got Idaho Falls
21 | and Blackfoot and then Pocatello and, and is there something
22 | down south?

23 | Chubbuck to the west or southwest and -- I guess
24 | there's nothing down at the, the bottom end of it. I'm
25 | looking at the -- Figure 1 in Bott Exhibit No. 2. And that's,

1 that's the niche you -- that you wanted to fill. You wanted
2 to serve, serve the Snake River Valley.

3 When you looked through the, the book and, and, and
4 the, and the book told you the formats, did you -- did
5 immediately a format window or whatever it is pop out at you?
6 This is a niche that I can fill.

7 A No, sir.

8 Q Were there any commercial -- other commercial
9 religious broadcast stations being -- formatted broadcast
10 stations being operated in that area? At the time you
11 applied?

12 A I've since looked at that again and I, I realize
13 that I don't believe there were, but I don't think that was
14 something that I was particularly cognizant of at that time,
15 but I may have been aware of that.

16 Q Okay. You -- moving right along to the bottom of
17 the second paragraph, you talk about you decided to live in
18 Blackfoot.

19 A Yes, sir.

20 Q Rather than Central Valley. But at that point you
21 hadn't visited Blackfoot. Is that true?

22 A That's true.

23 Q But you decided that would be a place where you
24 wanted to live. Why would -- why did you want to live there?

25 A Because I felt that that was going to be a more

1 complicated station to run in that it was going to serve
2 essentially two cities, Idaho Falls and Pocatello, making it a
3 more complicated operation. Also --

4 Q Okay. Let me, let me stop you. This is a -- you
5 responded that way when you, when you answered Mr. Goldstein's
6 questions and you responded that way when you answered my
7 questions. Talking about Pocatello and Idaho City (sic). I
8 haven't heard you mention Blackfoot, serving Blackfoot.

9 A Well --

10 Q And wasn't that a consideration too?

11 A Yes, sir.

12 Q And, you know, what are you doing for the poor
13 people in Blackfoot, but that, you know, that's neither here
14 nor there, but I just -- you may have overlooked in your
15 answer the, the answer that you wanted to serve Blackfoot.

16 A Well --

17 Q Okay. Why don't you continue?

18 A What I was referring to, sir, is having sales people
19 that would have to serve as advertising clients in both
20 cities.

21 Q Spot advertising?

22 A Spot advertising.

23 Q I thought -- but didn't you, didn't you respond to
24 Mr. Goldstein that, that you couldn't make a go of it in spot
25 advertising, that you'd have to sell block time?

1 MR. RILEY: Your Honor, I, I, I must tell you, Your
2 Honor, that if any other attorney in this room asked that
3 question and I objected you'd sustain my objection. That's a
4 mischaracterization of the testimony. He --

5 JUDGE STEINBERG: You're right. Sustained. Okay.
6 I -- after I asked it I realized that it was -- we're talking
7 about two different time frames.

8 MR. RILEY: Precisely, Your Honor.

9 JUDGE STEINBERG: Okay.

10 MR. RILEY: Precisely.

11 JUDGE STEINBERG: And so it's sustained. No
12 problem. If you want to object, object, and I'll rule.
13 Probably the first time you've ever heard that, isn't it?

14 MR. RILEY: It is -- certainly is, Your Honor.

15 JUDGE STEINBERG: Okay. It's not the first time
16 I've heard it, though.

17 BY JUDGE STEINBERG:

18 Q Okay. So you didn't visit Blackfoot until September
19 '87?

20 A Yes, sir.

21 Q But you decided you wanted to live there.

22 A Well, I did not decide I wanted to live there until
23 the summer of '87.

24 Q Okay. That's when both cases were designated and
25 you had to make a choice?

1 A Yes, sir.

2 Q Okay. Did you get any, any literature on the, on
3 the area?

4 A Yes.

5 Q And what type of literature?

6 A Chamber of Commerce material.

7 Q And --

8 A Gives maps and activities and recreational
9 facilities, economic data and employers in the area and that
10 type of thing.

11 Q Okay. Have you ever lived in that area before --
12 temporarily?

13 A No, I have not lived in Idaho, but we have
14 vacationed in Colorado frequently, go snow skiing in Vale,
15 Colorado, and, and enjoy the mountains and I enjoy snow
16 skiing.

17 Q Okay. And is that -- did that contribute to your
18 decision that you -- to the choice that you made?

19 A Ultimately yes in the summer of '87.

20 Q Did you visit the Central Valley area?

21 A Eventually, yes I did.

22 Q About when? Vis-a-vis your visit to Blackfoot?

23 A I don't recall my first visit to Central Valley,
24 which is in the Redding area. It would have been --

25 Q You don't remember if it was before or after you

1 visited Blackfoot? All I'm, all I'm looking for is a time --
2 just a time frame, a sequence.

3 A I honestly don't remember.

4 Q Okay. Now, and, and you talk about your trip to
5 Blackfoot in September '87. What community leaders did you
6 meet with?

7 A I met with the mayor of Blackfoot.

8 Q What did you discuss with the mayor?

9 A Well, I discussed with the mayor, tell me about this
10 community, tell me about -- I, I, I discussed with the mayor
11 anything that he wanted to tell me about Blackfoot. Is it a
12 good place to live and work? He told me quite a, quite a
13 number of things. He was, of course, very positive about the
14 community. That's part of his job I guess. I met with the
15 mayor, I met with a fellow from the Bureau of Indian Affairs.

16 Q That's the Federal Bureau, Department of Interior?

17 A Yes.

18 Q -- Indian Affairs?

19 A And I met with somebody from the job service. I met
20 with someone from one of the main employers in the area. Just
21 various community leaders like that.

22 Q Who, who was the main employer?

23 A It was a, it was a potato packaging plant. I can't
24 remember the name of it right offhand, but it was very big in
25 agriculture business.

1 Q Generally, what, what did you discuss with these
2 people?

3 A Just to get ideas about, about the community, what
4 types of community needs there would be so that I could serve
5 them in the future with the radio station and also just to
6 acquaint myself with the community so that I'd know more about
7 it.

8 Q What, what needs did they tell you existed?

9 A Well, sir, this goes back to 1987. I -- they
10 basically felt like they had pretty good schools. They felt
11 that they needed more -- especially the -- there was a Migrant
12 Farm Worker's Council, felt like they needed more attention,
13 more help for the migrant farm workers in that area. This
14 goes back to 1987 and I had some notes on that, but basically,
15 you know, they were, they were saying it's a good place to
16 live and they were wanting better things for the community.

17 Q And did you, did you tell them why you were there
18 and did you, did you tell them that you'd applied --

19 A Yes.

20 Q That you were going to apply for --

21 A That I was planning to, to build a radio station if
22 I should, should receive one.

23 Q Did you discuss with them anything about format?

24 A No, I did not discuss with them format. I discussed
25 with them community service and public affairs and, and what

1 areas the radio station could, could help the community.

2 Q And of course I've already asked you about the
3 studio space in the homes that you, that you looked at. Did
4 you go by yourself?

5 A Yes, sir.

6 Q And how long did the -- a trip was it?

7 A I was there two days.

8 Q Did you fly back and forth or, or drive?

9 A I flew. I -- well, I flew to Salt Lake City and
10 drove -- rented a car and drove up to the Blackfoot area.

11 Q How, how -- that's, that's a good distance, isn't
12 it?

13 A Yes, it is.

14 Q We need Dennis to tell us how many miles.

15 A It's the nearest main airport to that area though.

16 Q Okay. Now, you talk about over the next several
17 years I was disappointed with how long it was taking for this
18 application to go through. Af-- now this -- I want you to
19 answer me frankly. After a while did you get -- kind of lose
20 your interest in Blackfoot?

21 A No, sir, I didn't. I was, I was disappointed that
22 this, this was taking such a long time and this is something
23 that I wanted to do, but I couldn't do it until it had worked
24 its way through the, through the process. I'd not lost my
25 interest in it. No.

1 Q Did, did your interest wane. Let me put it this
2 way. Was -- on a scale of 1 to 100, in 1985 when you applied
3 was your interest 100 and then by the time this had gone
4 through, talking about 1991-1990, had your interest gone --
5 become less than 100?

6 A No, sir. I couldn't put a numerical value on it,
7 but, but I was --

8 Q Okay. Did it, did it, did it -- I'm not saying did
9 you -- lose interest means lose interest totally. Did you
10 have less interest in it as the process went along?

11 A I don't think I, I lost interest in it. If
12 anything, I think I got more excited about it and I was
13 frustrated. I was frustrated is, is I guess the best word to
14 describe it.

15 Q You were chomping to go and the Commission wouldn't
16 let you go, basically. Do you disagree with me?

17 A No, it was not only that I couldn't go, but it was
18 also that I may not be able to go. It, it, it may not, may
19 not come to me.

20 Q Back on the, the bottom of the first page you're
21 talking about -- you're -- after the -- after you were -- the
22 Blackfoot decision was affirmed by the Court of Appeals, you
23 proceeded with more detailed planning. Now, if my
24 recollection of your answers this morning is correct,
25 basically you spent the time from late February '91 to at

1 | least the summer just deciding on a format. Is that, is that
2 | accurate or if it's not, tell me -- straighten me out.

3 | A I was informed in March of '91 that --

4 | Q By Barry Friedman?

5 | A Yes, sir. That the Court of Appeals had, had
6 | terminated this and that I was assured of receiving the
7 | permit. And that's when I began. And then it was, it was a
8 | process. I began to more closely look at the economic
9 | situation and I discovered and it reinforced that, that it was
10 | a very poor economic situation.

11 | Q Nationally?

12 | A Nationally and also I had reviewed documents related
13 | to the region of -- the Rocky Mountain region and so forth.
14 | Radio Business Reports breaks it out region by region. And
15 | radio revenues were down.

16 | Q Okay. Now when you, you talk about Radio Business
17 | Reports, an, an example of that is your Exhibit 3, page 7.

18 | A Yes, sir.

19 | Q Is that right?

20 | A Um-hum.

21 | Q And breaks it down by the -- page 8 talk -- you --
22 | is an underlined area of Rocky Mountain --

23 | A Yes, sir.

24 | Q -- down 3.2%?

25 | A Um-hum.

1 Q So you, you basically never did any specific
2 economic studies of the Pocatello, Blackfoot, Idaho Falls
3 area?

4 A No, sir. Not, not detailed economic studies, no.

5 Q But that's part of the Rocky Mountain area and
6 whatever, whatever the, the report, Radio Business Report says
7 you, you were comfortable with?

8 A Yes, sir. And I also, Your Honor, to, to get into
9 my state of mind at this time had read a number of articles
10 that were coming out in Broadcasting Magazine and other
11 industry trade publications that, that radio stations that had
12 recently gone on the air many times now are going broke and,
13 and struggling and it's not the rosy economic picture for all
14 these new stations that people had, had thought back in the
15 1980s, but in fact, there was perhaps even a glut of stations
16 on a national basis. All of that reinforced my, my feeling
17 that to launch one of these new formats that I had previously
18 thought was such a good idea might be a very risky venture for
19 me.

20 Q Okay. Now, this is when? Tell me when you thought
21 this?

22 A This was in the summer of, of '91. This is after
23 March and to, to flesh that out more for you; to help you
24 understand my, my thinking process at that time, I attended a,
25 a conference in 19 -- in, in -- the end of May -- 21st, it was

1 called a summit conference basically with -- that involved a
2 meeting of various religious broadcasters that had gotten
3 together to discuss the future health of, of that particular
4 format, that particular part of the industry.

5 Religious broadcasting had gone through quite a --
6 the difficult time following the Jim Baker scandal and things
7 like that, so that some of these national programs that buy
8 time were not as anxious to buy time. Going to that
9 conference, we discussed a number of things relating to the
10 health and viability and future prospects for the religious
11 broadcasting segment, which were very upbeat.

12 And they felt that yes, we'd weathered the storm
13 here with the Jim Baker scandal and things were getting better
14 and it reinforced -- it, it not reinforced, but it, it, it
15 gave me hope and encouragement for the religious broadcasting
16 format. At the same time I was looking at the disappointing
17 economic news. That summer I continued to read more and more
18 news articles about the poor, the poor economy and by the, by
19 the end of the summer I decided that if I was going to make a
20 go of this station in Blackfoot, it, it would best be a
21 religious format station.

22 Q The, the new formats that you were considering, you
23 mentioned some of them. The some -- satellite. Tell me if
24 I'm wrong or if I'm mischaracterizing. The satellite music,
25 what's that?

1 A Well, there's a company, it's in Dallas I believe,
2 and it's Satellite Music Network and they provide, I think,
3 about six or eight different music formats. Two stations
4 delivered via satellite. They completely have the, the music,
5 they have the disk jockeys. You just put in the local
6 commercials and the local station IDs, and local public
7 service announcements and kind of customize it for your
8 market. But whether it's a country format or an adult
9 contemporary format or a soft AC or a contemporary hit radio
10 or even --

11 Q What's AC? Adult contemporary?

12 A Adult contemporary. They have Z-Rock, which is a
13 real teenage, hard hitting rock and roll format. Then there's
14 Unistar in Colorado Springs. I believe they are the ones that
15 are marketing the, the CNN News talk format. They have other
16 music formats. Sun Radio that does a talk format. There's
17 the business radio network that's doing full-time business
18 news as a format. It's familiar with all of these.

19 Q Okay. Were, were you considering these after, after
20 March '91?

21 A They were --

22 Q As, as possible formats?

23 A Yes, sir. They were within my range of
24 consideration. But I have to tell you that I was really
25 giving second thought to using something like that because of